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Sectoral policy questions: industrial development cooperation

Draft resolution submitted by the Vice-Chairman of the Committee, Mr. Burak Özügergin (Turkey), on the basis of informal consultations held on draft resolution A/C.2/53/L.6

Industrial development cooperation

The General Assembly,

Recalling its resolutions 46/151 of 18 December 1991, 49/108 of 19 December 1994 and 51/170 of 16 December 1996 on industrial development cooperation,

Taking note of the Declaration adopted by the Ministers for Foreign Affairs of the Group of 77 and China at the twenty-second annual Meeting of Ministers for Foreign Affairs of the Group of 77, held in New York on 25 September 1998, on the relevance of industrialization for development and the importance of international cooperation to support the developing countries in this field,[1]

Recognizing the increasing role of the business community, including the private sector, in enhancing the dynamic process of the development of the industrial sector,

1. *Reaffirms* that industrialization is a key element in the promotion of the sustainable development of developing countries, as well as in the creation of productive employment, the eradication of poverty and facilitating social integration, including the integration of women into the development process;

2. *Stresses* the importance of domestic industrial transformation in developing countries in order to increase the value-added of their exports earnings with a view to benefiting fully from the process of globalization and trade liberalization;

3. *Emphasizes* the importance of industrial development cooperation and a positive investment and business climate at the international, regional, subregional and national levels, in promoting the expansion, diversification and modernization of productive capacities in developing countries and countries with economies in transition;

[1] A/53/466, annex.

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4. *Also emphasizes* the importance of a favourable international and national environment for the industrialization of developing countries, and urges all Governments to adopt and implement development policies and strategies that promote, within a framework of transparent and accountable industrialization policies, *inter alia*, enterprise development, foreign direct investment, technological adaptation and innovation, expanded access to markets and the effective use of official development assistance to enable developing countries to enhance an environment attractive to investment so as to augment and supplement domestic resources for the expansion, diversification and modernization of their industrial productive capacity in the context of an open, equitable, non-discriminatory, transparent, multilateral and rule-based international trading system;

5. *Reiterates* the importance of technology transfer to the developing countries as an effective means of international cooperation in the field of industrial development;

6. *Recognizes* the continuing use of official development assistance also for industrial development in the developing countries, and calls upon donor countries and the recipient countries to continue to cooperate in their efforts to achieve greater efficiency and effectiveness of official development assistance resources devoted to industrial development cooperation;

7. *Emphasizes* the importance, for developing countries, of financing for industrial development, market-based mechanisms and instruments as well as innovative funding modalities, such as co-financing schemes and trust funds, debt-equity swaps and, as appropriate, other debt relief measures and official development assistance specifically designed to strengthen the industrial capacities of developing countries through, *inter alia*, the facilitation of private capital flows and, in this regard, requests relevant entities of the United Nations system, including the United Nations Industrial Development Organization and the United Nations Conference on Trade and Development, in the context of their strategic partnership, to support developing countries and countries with economies in transition in their efforts to mobilize resources for industrial development, especially by means of investment promotion activities, the development of small and medium-sized enterprises, the encouragement of practices to promote employment in industries and various forms of business partnerships, such as industrial joint venture schemes, enterprise-to-enterprise cooperation and venture capital funds for industrial development;

8. *Reiterates* the importance of cooperation and coordination within the United Nations system in providing effective support for the sustainable industrial development of developing countries, calls upon the United Nations Industrial Development Organization to continue carrying out its central coordinating role within the United Nations system in that respect and welcomes the efforts of the United Nations Industrial Development Organization to strengthen its cooperation with the rest of the United Nations system at both the headquarters and the field level, by, *inter alia*, actively participating in the resident coordinator system, so as to enhance the effectiveness, relevance and development impact of such support;

9. *Calls upon* the international community and the relevant bodies and organizations of the United Nations system, in particular the United Nations Industrial Development Organization, to support the efforts of the developing countries to intensify and expand industrial cooperation among themselves with respect to, among other things, trade in manufactured products, industrial investments and business partnerships, as well as industrial technology and scientific exchanges;

10. *Requests* the United Nations Industrial Development Organization, in cooperation with the relevant organizations of the United Nations system, to continue

undertaking in-depth assessment, analysis and dissemination of best practices in the area of industrial policies and strategies and of lessons learned in industrial development, taking into account the financial crisis and the impact of globalization on the industrial structure of the developing countries, so as to support and boost South-South cooperation by providing practical insights and ideas for international industrial development cooperation and for economic and technical cooperation among developing countries;

11. *Welcomes* the promising structural transformation and revitalization by the United Nations Industrial Development Organization as well as its new approach in providing comprehensive packages of integrated services to its member States and the strengthening of its field representation and requests the United Nations Industrial Development Organization to continue to accord priority to the needs of the least developed countries and countries in the African region;

12. *Further welcomes* the focus of the United Nations Industrial Development Organization both on the strengthening of industrial capacities and on cleaner and sustainable industrial development in the context of its new programme reorientation, as well as its cooperation with the relevant bodies and organizations of the United Nations system, in particular with the United Nations Environment Programme;

13. *Requests* the Secretary-General to submit to the General Assembly at its fifty-fifth session a report on the implementation of the present resolution.